NPE2018

ENGEL still on track for growth in America

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Along with Canada and Mexico, the US is one of the most important sales regions for ENGEL, and South America is also on the rise. – At the NPE2018 in Orlando, Florida, the injection molding machine builder and system solution provider with headquarters in Austria is presenting itself in a very good mood. "We expect that the NPE will provide an additional boost to the growth trend", states Dr. Stefan Engleder, CEO of the ENGEL Group, at the beginning of the trade show. In the recently completed 2017/18 financial year, the ENGEL Group achieved more than a quarter of its worldwide sales in the American markets. As compared to the previous year, group sales have increased by 11 percent, to 1.84 billion USD (1.51 billion EUR).

North America: New technologies for increased competitiveness

In North America, high consumer confidence and the trend back towards domestic production are having a positive effect on the plastics industry. "Our customers are investing in the modernization of their machine inventory and in new technologies that provide them with a competitive edge", reports Mark Sankovitch, President of ENGEL Machinery Inc., based in York, PA. "The focus is on increased efficiency and cost-effectiveness of production processes, and on higher product quality."

The share of integrated system solutions delivered including process technologies, automation, and increasingly also Industry 4.0 concepts, is on the rise. Besides the increasing demands on efficiency and quality, this is an indicator of another trend: the growing lack of qualified personnel. "As a system solution provider, we support our customers in easily and confidently controlling even complex processes", states Sankovitch. "Industry 4.0 is an important key to achieving this. At the NPE, we'll demonstrate how, for example, intelligent assistance systems, predictive maintenance, or online support, contribute to fully utilizing the
potential of the production equipment, without requiring the machine operator to obtain expert knowledge. Ensuring that it remains simple to operate the machines and – with increasing complexity – the processes, is a central requirement that is transforming the cooperation between us as a provider and the plastics processors. We are becoming more and more of a partner throughout the entire lifecycle of the machines and systems. To this end, over the past years we have established the necessary structures and reinforced our teams.

**Business Unit structure successfully established**

At this time, ENGEL employs 210 people in North America, about 25 percent more than one year ago, and is planning a similar increase in the current financial year. After-sales service, application technology, automation, and the Business Units are just some of the areas in which the new positions are added. ENGEL employs dedicated teams for the automotive, technical molding, teletronics, packaging and medical industries, respectively – and this not only at the company headquarters in Austria. Three years ago, ENGEL also established a Business Unit structure with dedicated Business Unit managers in America, and has since then been continuously increasing its local industry expertise. "The feedback from our customers is very good, and recent successes confirm that we are on the right track", says Dr. Christoph Steger, CSO of the ENGEL Group. "Thanks to the Business Units, in America we can also respond to the requirements and requests of our customers in the various industries even faster, and can provide them with even more targeted support in meeting their very individual challenges."

**Innovative technologies for electro-mobility and autonomous driving**

In the assessment of the ENGEL managers, among the various industries automotive is the strongest growth driver in North America, and will probably remain so. "Electro-mobility and autonomous driving are posing new challenges for the industry, which can only be solved with the intelligent use of plastic-based materials and innovative production processes", says Stefan Engleder. "Plastics are inherently a lightweight construction material, and injection molding is the perfect technology to combine lightweight construction with cost effectiveness."

In its Technology Center for Lightweight Composites, established in 2012 in Austria, ENGEL, together with partner companies and universities, is developing innovative processes to allow
for the use of fiber-composite materials in automotive large-scale series. From HP-RTM and SMC, to the processing of semi-finished thermoplastic products such as thermoplastic fabric and tapes, to reactive technologies such as in-situ polymerisation (T-RTM), ENGEL's light-weight technology experts are focused on all of the current leading-edge developments. During the NPE, ENGEL will present series-ready production concepts and provide insights into ongoing development projects. It will become clear that not only automotive manufacturers, but also the consumer electronics industry as well as processors in the area of technical injection molding are increasingly using composite technologies for the development of new products.

In the injection molding industry, the trend towards autonomous driving is manifesting itself with completely new requirements on the design of interiors. The feel-good factor is becoming increasingly important; in future, controls will be placed in different locations and unobtrusively integrated with the surface design. The focus will be on transparent materials, capacitive electronics and touch features.

Another growth driver is the area of automotive lighting. "Recently, we have delivered several injection molding machines for the production of headlight lenses made of liquid silicone (LSR) and for the integrated multi-component production of headlight housings with up to three material components", reports Sankovitch.

**Medical technology growing with LSR**

In North America, LSR is generally gaining in importance. The elastomer’s market share is also growing in the area of medical technology. LSR is frequently processed in combination with thermoplastic materials. For this purpose, ENGEL supplies multi-component injection molding machines with increasingly greater clamping forces. Multi-cavity molds are being used more frequently for the production of medical technology consumables.

In the packaging industry, the demographic development towards an increasing number of single-person households is leading to an increased demand for smaller packaging units. At the same time, greater product variety is required, which places high demands on the flexibility of processing machines and production cells.
Mexico: Quality requirements clearly increased

At the NPE2018, ENGEL de Mexico, based in Querétaro, is reporting the best financial year in the history of the site. The automotive industry is the number 1 growth driver there as well. The first machines delivered by ENGEL to America for integrated fiber-composite lightweight construction are installed in Mexico.

During the concluded financial year, the electronics and medical technology industries also made a considerable contribution to the excellent results of ENGEL de Mexico. For future business, new potentials are also opening up in the areas of white goods, construction, and packaging. "Over the past years, the quality demands in Mexico have increased significantly", reports Steger. "The automation of injection molding processes is now the standard. With Industry 4.0, the Mexican industry is cementing its position as a premium quality production location."

Brazil: Back on track

In Brazil, the largest market in South America, after two difficult years the economic situation relaxed in the 2017/18 financial year. For ENGEL do Brasil in São Paulo, this translated into a slew of incoming orders. "We clearly surpassed our sales goal for 2017/18 in Brazil", says Steger. Large orders from the packaging industry were the main factor in this. Packaging also promises a great deal of potential for the new 2018/19 financial year. The demand is especially for large, all-electric injection molding machines. "The e-motion series, which, even in the high clamping force range, combines high performance with especially low energy consumption, lets us maintain a competitive edge", states Steger.

ENGEL Group worldwide grows by 11 percent

In the 2017/18 financial year, the ENGEL Group worldwide achieved sales of 1.84 billion USD (1.51 billion EUR), making this the fourth year of growth in sequence. With 6,600 positions worldwide, the number of employees has also reached a new peak. More than half of the employees are working in Austria.

Apart from America, the Asian markets – especially China – are developing very dynamically. In Europe, Germany remains the strongest sales market and also the most important driver of innovation.
As compared to the previous year, there is a slight shift in the distribution of sales. America has increased by 2 percent, to 26 percent. With currently 53 percent, Europe still represents the lion's share. Asia is at 20 percent.

**Largest investment program in company history**

With the largest investment programme in the company's history, ENGEL is ensuring that the growth of the company extends into all regions of the world. For a total of more than 450 million USD (375 million EUR), by 2020 production plants worldwide will be modernized and their capacities expanded.

The largest construction projects are taking place in Austria. At company headquarters in Schwertberg, the northern production hall built in 2013, will be expanded by 124,000 sf (11,500 sqm) and a new significantly larger customer technology center will be constructed by fall of this year.

With an investment volume of 194 million USD (160 million EUR), the expansion of the large machine plant in St. Valentin, Austria, is by far the largest construction project. In the first stage, an additional bay was constructed last year, creating floor space mainly for machine assembly, but also for some offices. A few weeks ago, construction began on the new administration building and the further expansion of the production area, including the technology center. In the course of this work, more space will also be available for the Center for Lightweight Composite Technologies.
"The plastics industry in North America is on the rise. The US, Canada, and Mexico are among the currently most important sales regions for ENGEL. We expect that the NPE will provide an additional boost to this trend", states Dr. Stefan Engleder, CEO of the ENGEL Group.

"Thanks to the Business Unit structure, in America we can also very rapidly respond to the requirements and requests of our customers in the various industries, and we can provide them with even more targeted support in meeting their very individual challenges", says Dr. Christoph Steger, CSO of the ENGEL Group.

"As a systems provider, we support our customers in easily and confidently controlling even complex processes. Industry 4.0 is an important key to achieving this", emphasizes Mark Sankovitch, President of ENGEL Machinery Inc. in York, PA.
On site with customers: ENGEL sales and service subsidiaries are located in York/PA (USA), Querétaro (Mexico) und São Paulo (Brazil), from left to right.

At ENGEL’s company headquarters in Schwertberg, Austria, construction will continue until this autumn. The new construction to the right of the entrance – shown here in simulation – will expand the northern production hall built in 2013. The new customer technology centre will be located above the assembly area.

In the summer of 2017, the large machine plant in St. Valentin, Austria, put a new additional production hall into operation.
The other expansion projects at the St. Valentin location include a new office building and an even larger customer technology centre, as shown in the simulation.

Images: ENGEL

ENGEL AUSTRIA GmbH
ENGEL is one of the leading companies in plastics machine manufacturing. Today, the ENGEL group of companies offers all technology modules for plastics processing from a single source: injection molding machines for thermoplastics and elastomers, as well as automation, with individual components that are in themselves competitive and successful in the market. With nine production plants in Europe, North America and Asia (China and Korea), and subsidiaries and representatives for more than 85 countries, ENGEL offers its customers the excellent global support they need to compete and succeed with new technologies and leading-edge production systems.

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